

STATEMENT OF JOAN B. CLAYBROOK, ADMINISTRATOR, NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION, DEPARTMENT OF TRANSPORTATION, BEFORE THE SUBCOMMITTEE ON CONSUMER PROTECTION AND FINANCE, HOUSE COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE, CONCERNING THE MOTOR VEHICLE THEFT PREVENTION ACT OF 1979, June 10, 1980.

Mr. Chairman and Members of the Subcommittee:

I am pleased to appear before your Subcommittee today to discuss the efforts of the National Highway Traffic Safety Administration in the prevention of automobile theft and the significance to those efforts of the Motor Vehicle Theft Prevention Act of 1979. With me today is Mr. George L. Parker, Chief of the Crash Avoidance Division.

Motor vehicle theft is on the rise in the United States and significant increases are being reported by law enforcement officials in all regions of the country. The problem appears to be universal, with theft rates in suburbs and smaller communities rising as fast or faster than those of the larger cities.

A motor vehicle was stolen in the United States in 1978 roughly every 32 seconds, and considering the average value of stolen vehicles is well over two thousand dollars, the loss was staggering. Those of us who are fortunate enough to avoid the thieves still pay indirectly through higher insurance premiums.

The agency has been working with the Interagency Committee on Auto Theft Prevention since 1975 in an effort to coordinate the activities of government and the private sector in combating auto theft. Through contacts with Federal agencies, State law enforcement officials, insurance firms, and auto salvage operations, the Committee has attempted to reduce the incidence of auto theft through a variety of means, including background work on the Motor Vehicle Theft Prevention Act.

In keeping with the Committee's approach, the agency has taken several steps to address the problem using existing authority. Among these, we are working with the States in the development of effective vehicle titling procedures to combat the fencing of stolen vehicles. In this regard, a manual of anti-theft guidelines for State motor vehicle titling programs was published in January of this year. In New York State, we have assisted the State Department of Motor Vehicles in establishing a program for the detection of vehicles rebuilt with stolen parts. Under the program, vehicle identification numbers on rebuilt vehicles are being examined by State investigators prior to the issuance of title certificates.

In the area of vehicle safety standards, we have recently amended Federal Motor Vehicle Safety Standard No. 115, Vehicle Identification Number, to standardize identification numbering systems and improve the visibility of identification numbers. These changes will facilitate field identification of stolen vehicles by law enforcement officials. Standard No. 115 applies to all highway vehicles. Safety Standard No. 114, Theft Protection, which has been in effect since 1970, requires all passenger cars to have a key-locking system to lock the steering wheel or otherwise restrict mobility when the key is removed. A warning buzzer or light indicating the key has been left in the car is also required.

We have issued and received comments on a notice of proposed rulemaking to extend and upgrade Standard No. 114. In this rulemaking we have proposed a number of anti-theft modifications to passenger cars and have also proposed that the standard be extended to trucks and vans with a gross

vehicle weight rating of 10,000 pounds or less. Between 1974 and 1978, the percentage of stolen trucks and buses increased from 6.4 percent to 11.3 percent of the total of all stolen motor vehicles. We are presently evaluating the costs and benefits of these proposals and plan to issue a final rule in the near future.

Our existing safety standards, which have been in effect since 1970, are aimed primarily at preventing auto theft by "joyriders," usually young people who steal cars on the spur of the moment for pleasure and have a disproportionately high accident rate. These standards appear to have been effective, judging from the steady decline in the number of auto thefts per registered vehicle during the period 1970 through 1978. However, the recent increase in the activities of professional auto thieves, capable of defeating existing anti-theft technologies, has reversed this trend and led to a search for new methods of theft prevention.

Indications are that professional theft has increased substantially. The solution rate for motor vehicle thefts declined by 32.9 percent in the period 1967 to 1978. At the same time, the percentage of stolen cars recovered by authorities dropped significantly, suggesting increased

involvement by theft rings and "chop-shop" operators. Recent involvement of organized crime figures in the sale of stolen auto parts has given an ominous signal that the teenage joy-rider, while still important, may no longer be the principal danger in the auto theft area.

In order to counter this trend, we believe that new approaches must be considered. We support the anti-fencing measures of Title III of the Theft Prevention Act outlawing alteration or removal of vehicle identification numbers and trafficking in vehicles and parts with identification numbers altered or removed. Similarly, we consider the provisions of Title IV restricting importation and exportation of stolen vehicles to be valuable in combating the operations of international theft rings. We believe that Title II of the Act, regarding theft protection standards, also contains useful authority, although it must be recognized that it represents only one contributing part of an overall effort.

Our agency, together with the National Bureau of Standards, is studying the prospects for improvements in steering wheel and ignition locking mechanisms as a means of countering auto

theft. Our goal is to increase the time factor necessary for the thief to mobilize the motor vehicle. Experienced auto thieves have advised that if a vehicle takes more than 5 to 10 minutes to activate, their fear of detection will lead them to seek more favorable targets. A major long term goal of the Interagency Committee on Auto Theft Prevention has been to strengthen locking systems to meet this 10-minute standard. While a determined professional thief would still be able, through the use of a tow truck, to steal a vehicle protected with such a locking system, his risk would be higher. More importantly the 10-minute time factor would seriously impair the ability of the juvenile and the novice to steal the motor vehicles of the mid 1980's. If the number of motor vehicle thefts were decreased, law enforcement officials would be in a better position to concentrate their limited resources on the professional thieves. Thus, the goal of any additional legislative authority should be virtually eliminate "juvenile" theft

and seriously hinder the ability of the professional thief to steal a vehicle. Innovative approaches must now be developed for meeting the 10-minute objective in a cost-effective manner.

A promising approach in dealing with professional motor vehicle theft is the use of identification numbers on parts as an adjunct to efforts against trafficking in stolen parts. "Chop-shop" operations, in which cars are stolen and disassembled for resale as crash parts, have become highly lucrative with the rapid increase in the price of auto parts. Front-end assemblies from large late model cars can be sold for as much as \$1,500, while doors can bring over \$200 each. One operation in the Mid-west reportedly stole and disassembled 4,000 cars in a twelve month period.

Identification numbers on auto parts, coupled with a vigorous national enforcement effort against traffickers in stolen parts, could put many chop-shops out of business. These operations now discard any part, such as the engine or transmission, which bears an identification number. If major body components were also labeled, the illegal disassemblers would be left with little reason for dealing

in stolen cars. Ford Motor Company, in conjunction with the Department of Justice, is now engaged in an experimental program testing the feasibility of marking major components of its luxury cars.

With regard to specific provisions of the proposed legislation, we feel that the listing in section 202(a) of the Act of specific groups with which the agency must consult in establishing standards is unnecessary and potentially troublesome. In all agency rulemaking activities establishing vehicle standards, interested parties are provided an opportunity to present views and information. Listing particular groups may encourage undue emphasis on the views of those groups to the exclusion of valuable comments from other sources. We recommend that this provision be deleted or modified to list only general categories of groups to be consulted.

The twelve month deadline, imposed by section 202(b)(1), for issuance of a notice of proposed rulemaking on unauthorized starting may not be realistic in view of additional research needed in this area. Also, we suggest deletion of the references in section 202(b)(2) and (3) to specific technologies for the prevention of unauthorized starting and the labeling of vehicle components. Identifying particular technologies

may focus interest on these areas and restrict the agency's ability to obtain information on a full range of possible alternatives. If the Subcommittee believes particular technologies merit agency consideration, these could be noted in the section-by-section analysis of the bill.

Finally, given the difficulty in projecting with precision factors such as the effectiveness of various anti-theft measures, we believe that it would be inadvisable to require an affirmative determination regarding the costs and benefits of anti-theft standards. Thus, we recommend that the meaning of section 201 be clarified in this regard.

This completes my statement. I would be pleased to answer any questions you might have.

